

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
SEPTEMBER 26, 2002

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, September 26, 2002. Members present were David A. Bochnowski, Chairman; Loretta M. Burd, Vice Chairman; Tony Zaleski, Briget Polichene and Michael Davis. Also present from the Department were Charles W. Phillips, Director; J. Philip Goddard, Chief Counsel, Deputy Director, Non-Depository Institutions and Secretary; James M. Cooper, Deputy Director, Depository Division; Kirk J. Schreiber, Senior Bank Analyst; Gina R. Williams, Senior Bank Analyst; Mark K. Powell, Supervisor, Credit Union Division, Mark Tarpey, Division Supervisor, and Ronda Bailey, Administrative Assistant. Guests representing the Credit Unions were Angela Gross, CEO of United Credit Union, Mike Hussey, CEO of Tech Credit Union, Mike Miller & Donna Hasty, both Vice Presidents of Indiana Members Credit Union, Dean Pielemeier, Vice President of Hoosier Hills Credit Union, Jerry Yerkes, CEO & David Thieme, Vice President General Credit Union, Andrew Mattingly, Vice President of Forum Credit Union, Don Simpson, CEO of Indiana Postal & Federal Employees Credit Union, and Douglas Harris, CFO of Centra Credit Union. Also attending the meeting was Michael R. Brown, Vice President of Executive Media. Member James L. Saner and David D. Baer were absent.

I. PUBLIC SESSION

- A.) Director Phillips introduced the new Chairman, David A. Bochnowski , and new Board Member, Michael W. Davis. Mr. Bochnowski is President and CEO of Peoples Bank, SB, Munster, Indiana and Michael W. Davis is retired from General Motors Acceptance Corporation, Muncie and Indianapolis. J. Philip Goddard, Chief Counsel, swore in Mr. Bochnowski and Mr. Davis.**
- B.) Attendance**
- C.) Date of next meeting: October 10, 2002 @ 9:00 a.m. (Pending)**
- D.) A motion was made for approval of the minutes of the meeting held August 8, 2002, by Mrs. Burd and was seconded by Mr. Zaleski. The minutes were unanimously approved.**

DIVISION OF BANK AND TRUST COMPANIES

- 1.) Salin Bank and Trust Company, Indianapolis, Marion County, Indiana**
Ms. Gina Williams, Senior Bank Analyst, presented the application. Salin Bank and Trust Company ("Salin Bank") has applied to the Department for approval to merge with Blue River Federal Savings Bank, ("Blue River") Edinburgh, Bartholomew County, Indiana pursuant to IC 28-1-7.

Salin Bank and Blue River entered into a Merger Agreement on June 25, 2002. Salin Bank will survive the merger. Pursuant to the Merger Agreement, shareholders of Blue River common stock will receive \$38.00 per share in cash for each share of common stock. The purchase price based on the outstanding shares of common stock is \$3.6 million.

Funding for the purchase of the stock will be down streamed from Salin Bancshares, Inc., Salin Bank's parent holding company. Salin Bancshares, Inc. will down stream \$9.6 million generated from the sale of \$3.5 million of holding company stock, \$6 million from the sale of subordinated debentures, and remaining from cash of the holding company.

As of June 30, 2002, Salin Bank had total assets of \$793 million and Blue River had total assets of \$25 million. On a pro forma basis, the resulting bank will have total assets of \$825 million and a tier 1 capital to total assets ratio of 8.13%.

Salin Bank's three-year average return on assets is 1.45%. As of June 30, 2002, its return on average assets is 1.24%.

Indiana Code 28-1-11-5 restricts a bank's investment in land and buildings to 50% of sound capital. Based on the pro forma balance sheet, the resulting bank's investment in land and buildings will be approximately 46% of sound capital.

After the merger, Blue River's main office, and only location, will be consolidated into a branch office of Salin Bank's located in Edinburgh and Blue River's main office will be listed for sale.

There will be no change in the board of directors or executive officers of Salin Bank as a result of this merger.

Salin Bank received a Satisfactory CAMELS rating at its most recent Safety and Soundness examination, which was conducted by the Federal Reserve Bank of Chicago as of June 30, 2001. Ms. Williams informed the Members that the Department was currently conducting a Safety and Soundness examination of Salin and had spoken to the examiner in charge, Lee Reid. Examiner Reid indicated that the examination had not revealed any adverse findings that would prevent this merger.

Blue River also received a Satisfactory CAMELS rating at its most recent Safety and Soundness examination, which was conducted by the Office of Thrift Supervision in December of 2001.

The merger of Blue River with Salin will offer customers of Blue River multiple banking locations through Salin Bank's 30 locations as well as new services and products.

The staff of the Department concluded after reviewing the application that the following approval criteria had been met:

- a.) The institutions are operated in a safe and sound manner;
- b.) The financial condition of either of the institutions will not jeopardize the financial stability of the other;
- c.) The resulting institution will not have inadequate capital, unsatisfactory management, or poor earnings prospects;
- d.) The management and other principals are qualified by character and financial responsibility to control and operate the resulting institution in a proper and legal manner, and;
- e.) The public convenience and advantage will be served by the resulting institution after the proposed transaction.

Therefore, the staff recommends approval of the merger of Blue River Federal Savings Bank with and into Salin Bank and Trust Company.

A motion for approval of the application was made by Ms. Polichene and seconded by Mr. Davis. **The application was unanimously approved.**

CREDIT UNION DIVISION

- 1.) Mr. Powell gave a brief over-view of the field of membership statute changes that had been made during the 2002 legislative session. These changes have to do with including persons who either reside or work in "communities" within a credit unions field of membership. This over-view was presented so that the new Members would understand why the following applications were being presented.

2.) **United Credit Union, Warsaw, Kosciusko County, Indiana**

United Credit Union is applying to the Members for permission to expand its field of membership to include persons who reside or work in Kosciusko County. Mr. Powell explained that the requested community fits within the statutory definition of a community. Further, Mr. Powell stated that United had a 15.54% capital ratio and was projecting capital to be 15.10% at the end of the pro-forma period. Mr. Powell went on to explain that United did not anticipate building any new facilities, but was anticipating adding one full time teller during the pro-forma period. Further Mr. Powell pointed out that United was reflecting steady increases in net income during the pro-forma period.

Mrs. Burd asked Ms. Gross about the general make-up of the credit unions' field of membership. Ms. Gross replied that the main sponsor of the credit union had been Sprint, but that Sprint had disassociated itself from all credit unions on a nation wide basis. The credit union also has several smaller groups that make up the rest of the field of membership.

Mrs. Burd made a motion for approval to include persons who reside or work in Kosciusko County, Indiana in the field of membership of United Credit Union, which was seconded by Mr. Zaleski. The motion was unanimously approved.

3.) **Tech Credit Union, Crown Point, Lake County, Indiana**

Tech Credit Union is applying to the Members for permission to expand its field of membership to include persons who reside or work in the Indiana communities of Lake and Porter Counties, and the Illinois cities of Clumet City, South Holland, Lansing, Burnham, Dolton, Phoenix, Thornton, Dixmoor, Homewood, Lynwood, Sauk Village, Glenwood, Flossmoor, Ford Heights, Chicago Heights, South Chicago Heights, Steger, Hazel Crest, East Hazel Crest and Harvey to its field of membership.

Mr. Powell explained that the requested communities fit within the statutory definitions of a community. Mr. Powell explained that at one time Tech had been a federally chartered credit union with branches located in Chicago, Illinois. Those branches were grand-fathered upon Tech converting to state charter. Further, Indiana has a reciprocity agreement with Illinois that allows Indiana credit unions to expand into Illinois and visa-versa.

Mr. Powell explained that Tech has a current capital ratio of 11.10% and is projecting capital to be 11.20% at the end of the pro-forma period. Further, Tech is not anticipating adding any new facilities or staff due to the requested expansion. Tech is planning on building a new

branch in Merrillville near route 30; however this branch was being planned prior to this expansion request and is not part of this application. Additionally, Mr. Powell explained that Tech was forecasting modest increases in net income through the end of the pro-forma period.

Mrs. Burd asked who would approve any new branches that Tech might wish to build in Illinois. Mr. Powell replied that both Indiana and Illinois would review and approve those branches. Mr. Zaleski then asked who had regulatory supervision over the Illinois operations of Tech. Mr. Powell replied that Indiana retained supervisory authority over Tech, but that we would share examination results with the Illinois regulator.

Mr. Zaleski made a motion for approval to include person who reside or work in the above communities in the field of membership of Tech Credit Union, which was seconded by Mr. Davis. The motion was unanimously approved.

4.) **Indiana Members Credit Union, Indianapolis, Marion County, Indiana**

Indiana Members Credit Union is applying to the Members for permission to expand its field of membership to include persons who reside or work in the Indiana Counties of Boone, Delaware, Grant, Hamilton, Hancock, Johnson, Madison, Morgan and Shelby.

Mr. Powell explained that Indiana Members had been a federally chartered credit union at one time and had branches in most of these counties upon their conversion to state charter. Mr. Powell pointed out that Indiana Members has a current capital ratio of 9.79% and is projecting capital to be 10.76% at the end of the pro-forma period. Further, the credit union does not anticipate adding any new facilities or staff due to this expansion, and is forecasting steadily increasing net income for the pro-forma period. There were no questions from the Members concerning this application.

Mrs. Burd made a motion for approval to include persons who reside or work in the above communities in the field of membership of Indiana Members Credit Union, which was seconded by Ms. Polichene. The motion was unanimously approved.

5.) Hoosier Hills Credit Union, Bedford, Lawrence County, Indiana

Hoosier Hills Credit Union is applying to the Members for permission to expand its field of membership to include persons who reside or work in Martin County, Indiana.

Mr. Powell pointed out that Hoosier Hills has a current capital ratio of 8.67% and is forecasting capital to be 11.44% as of the end of the pro-forma period. Further, the credit union is not anticipating adding new facilities or staff due to this expansion, and the credit union is forecasting steady increases in net income throughout the pro-forma period.

There were no questions from the Members concerning this application.

Mr. Davis made a motion for approval to include persons who reside or work in Martin County, Indiana in the field of membership of Hoosier Hills Credit Union, which was seconded by Mrs. Burd. The motion was unanimously approved.

6.) General Credit Union, Fort Wayne, Allen County, Indiana

General Credit Union is applying to the Members for permission to expand its field of membership to include persons who reside or work in Fort Wayne, Indiana.

Mr. Powell stated that General Credit Union has a current capital ratio of 9.17% and is projecting capital of 9.28% at the end of the pro-forma period. The credit union does not anticipate adding new facilities or staff due to this expansion. Mr. Powell stated that General is forecasting modest increases in net income throughout the pro-forma period.

Mrs. Burd asked if Fort Wayne was a second class city. Mr. Powell replied that Fort Wayne was a second class city and that there was only one first class city (that being Indianapolis). Ms. Burd then asked Mr. Yerkes how many federally chartered community credit unions were there in Fort Wayne. Mr. Yerkes replied that there were three federally chartered credit unions in Fort Wayne that had community fields of membership.

Mr. Zaleski made a motion for approval to include persons who reside or work in Fort Wayne in the field of membership of General Credit Union. The motion was seconded by Mrs. Burd. The motion was unanimously

7.) Forum Credit Union, Indianapolis, Marion County, Indiana

Forum Credit Union is applying to the Members for permission to expand its field of membership to include persons who reside or work in the Indiana Counties of Johnson, Hancock, and Morgan, and the Marion County Townships of Lawrence, Washington, Pike, Center, and Warren.

Mr. Powell pointed out that the way the new statute concerning community fields of membership is written, no credit union can have Marion County in its entirety as a community. However, the credit unions can request seven of the eight Townships that make up Marion County. Mr. Powell stated that Forum had a current capital ratio of 10.14% and was projecting capital to be 9.50% at the end of the pro-forma period. Mr. Powell pointed out that while the credit union was projecting capital to be lower at the end of the pro-forma period 9.50% was still a strong capital position, and credit union management was planning this reduction. Further, the credit union was pledging to keep ROA at 1.00% during the pro-forma period.

Mr. Powell also pointed out that the credit union was anticipating adding some new service facilities within Johnson and Hancock Counties, and Lawrence and Washington Townships; however, the specific types and sites of the facilities are not known at the current time.

Mrs. Burd noted a projected loss involving one of the CUSO's owned by Forum Credit Union and asked Mr. Powell how the Department conducted examinations of the CUSO operations. Mr. Powell replied that the results of any CUSO operations were made part of the financial statement of the credit union, and if the Department had any concerns regarding the CUSO operation it would be brought up for discussion at the exit conference held with the Board of Directors and management of the credit union.

Mr. Bochnowski then asked whether the pledge by the credit union to maintain a 1.00% ROA was a contingency for approval of the application. Mr. Powell replied that in his opinion it was not intended to be a contingency, but that the Members certainly could impose it as a contingency if they wished to. Mrs. Burd also pointed out that she felt that the credit unions assumptions in regard to earnings had been very conservative.

Ms. Polichene made a motion for approval to include persons who reside or work in the above communities in the field of membership of Forum Credit Union, which was seconded by Mr. Davis. The motion was unanimously approved.

- 8.) **Indiana Postal & Federal Employees Credit Union, Fort Wayne, Allen County, Indiana**
Indiana Postal & Federal Employees Credit Union is applying to the Members for permission to expand its field of membership to include persons who reside or work in the Allen County Townships of Wayne, Saint Joseph, and Aboite.

Mr. Powell pointed out that the Credit Union has a current capital ratio of 8.93% and is projecting capital to be 8.53% at the end of the pro-forma period. While this is a slight reduction in capital Mr. Powell pointed out that it is still considered to be more than adequate. Further, the credit union is not anticipating adding any new facilities or staff due to this expansion. Mr. Powell also pointed out that the Credit Union is forecasting modest increased in net income throughout the pro- forma period.

There were no questions from the Members concerning this application.

Mrs. Burd made a motion for approval to include persons who reside or work in the above communities in the field of membership of Indiana Postal and Federal Employees Credit Union, which was seconded by Mr. Zaleski. The motion was unanimously approved.

Mrs. Burd then made a note for the record that the next credit union on the agenda was Centra Credit Union; therefore, she was excusing herself from the room.

Mr. Davis then asked Mr. Powell what adequate capital was. Mr. Powell replied that the State had no statutory minimum or maximum capital requirements. However; PCA regulations enforced by NCUA define adequate capital as being 7.00% of assets.

9.) Centra Credit Union, Columbus, Bartholomew County, Indiana

Centra Credit Union is applying to the Members for permission to expand its field of membership to include persons who live or work in the Indiana Counties of Decatur, Hamilton, Jennings and Shelby.

Mr. Powell pointed out that Centra has a current capital ratio of 11.44% and is projecting capital to be 11.96% at the end of the pro-forma period. Centra is not planning on adding any new facilities or staff due to this addition. Centra is also projecting increasing net income throughout the pro-forma period.

There were no questions from the Members concerning this application.

Ms. Polichene made a motion for approval to include persons who reside or work in the above communities in the field of membership of Centra Credit Union, which was seconded by Mr. Zaleski. The motion was unanimously approved.

DIRECTORS COMMENTS AND REQUESTS

A.) The Order of Delegation of Duties to the Director was amended by the Members as follows:

Credit Union Division - Section II (j) was amended to read as: Request to approve the field of membership expansion.

Bank and Trust Division and Savings and Loan Association – Section III (b) was amended to read as: Request to establish an interim bank or interim corporate fiduciary for the sole purpose of facilitating a merger, acquisition or raising capital in connection with a new or corporate fiduciary.

A motion was made by Mrs. Burd and seconded by Michael Davis to approve the Order of Delegation of Duties to the Director as amended. The motion was unanimously approved. The original signed Order will be recorded in the official minute book.

B.) First Farmers Bank and Trust Company, Converse, Miami County, Indiana

The bank notified the Department that they closed the branch banking office that was known as the "Roann Branch" located at 110 Chippewa Street, Roann, Wabash County, Indiana. The branch office closed on August 30, 2002 @ 5:00 p.m. **This item was for informational purposes only.**

C.) First Farmers Bank and Trust Company, Converse, Miami County, Indiana

The bank notified the Department that they closed the branch banking office that was known as the "Windfall Branch" located at 109 McClellan Street, Windfall, Tipton County, Indiana. The branch office closed on August 30, 2002 @ 5:00 p.m. **This item was for informational purposes only.**

D.) 1st Source Bank, South Bend, St. Joseph County, Indiana

The bank notified the Department that they closed the branch banking office that was known as the "Portage Branch" located at 1431 Portage Avenue, South Bend, St. Joseph County, Indiana. The branch office closed on July 12, 2002 @ 5:00 p.m. **This item was for informational purposes only.**

E.) Director Phillips advised the Members of actions taken pursuant to Delegated Authority. Mr. Phillips asked for any questions or clarifications of the actions, which are as follows:

DIVISION OF BANK AND TRUST COMPANIES

1.) UNION BANK AND TRUST COMPANY OF INDIANA, GREENSBURG, DECATUR COUNTY, INDIANA

The bank has applied to the Department for approval to establish a trust office to be located at **216 South Fourth Street, Watseka, Iroquois County, Illinois**. The application was received on July 11, 2002. The proposed trust office will be a 296 square foot office located inside Capstone Bank, an Illinois affiliate bank of applicant. Capstone Bank will lease the space to the bank per the lease agreement. The bank provided an independent analysis of comparable leased office space in the Watseka, Illinois area. The analysis showed the price per square foot of \$11.04 was comparable to other leased office spaces in Watseka, and therefore, would be considered to have been negotiated at arms-length. In conjunction with the establishment of this trust office, the applicant will succeed all of the trust business of Capstone Bank per IC 28-2-14-18. The bank will lease the space with an annual rental of \$3,267.84. The terms of the lease call for monthly rental for one year. The lease shall automatically renew annually under the same terms as the original lease, including the rent amount, unless written notice is given by either party. There will be no additional cost to the applicant. The bank will utilize the existing furniture, fixtures and equipment of Capstone Bank. As of March 31, 2002, the bank's ROA was 1.41%, its Tier 1 leverage capital ratio was 7.16% and its trust assets under administration were \$118 million. This will be the bank's third trust office. **The Director approved this on August 14, 2002, under Delegated Authority.**

2.) **HERITAGE BANK & TRUST COMPANY, DARLINGTON, MONTGOMERY COUNTY, INDIANA**

The bank is requesting permission for a waiver on the limitation in IC 28-1-11-5 which restricts, except with the approval in writing from the Department, the sum invested in real estate and buildings used for the convenient transaction of the bank's business to 50% of sound capital. The bank is currently in excess of the 50% limitation of sound capital, due solely to push-down accounting adjustments as a result of the purchase of Heritage Bancshares, Inc., Darlington, Indiana, the bank's former holding company, by Piper Holdings, Inc., Covington, Indiana. Piper Holdings, Inc., also owns The Fountain Trust Company, Covington, Indiana. Piper Holdings, Inc., plans on merging the Heritage Bank and Trust Company with and into The Fountain Trust Company within the next six months. As of June 30, 2002, the bank's real estate and buildings was \$355M due to the write-up of approximately \$157M in accounting adjustments and sound capital was \$422M for a ratio of 84%. The Fountain Trust Company has sufficient undivided profits to upstream to the holding company, which then could be downstream by the holding company to the bank to comply with the limitation established. However, since the bank is going to be merged out of existence in the next six months, the bank requests exemption of the limitation until February 1, 2003. **It is recommended that the bank be allowed to exceed the 50% limitation, until February 1, 2003, or until the bank is merged out of existence, whichever comes first. The Director approved this on August 14, 2002, under Delegated Authority.**

3.) **COMMUNITY BANK OF SOUTHERN INDIANA, NEW ALBANY, FLOYD COUNTY, INDIANA**

Community Bank of Southern Indiana has applied to the Department for permission to amend Section 7 of its Articles of Charter Conversion. The amendment to Section 7 will allow the bank to have up to twenty directors with the exact number fixed in the by-laws. Section 7 currently allows up to only 15 directors with the exact number fixed in the by-laws. The effective date of the amendment will be the date the Articles of Amendment are filed with the Secretary of State. **The Director approved this on August 22, 2002, under Delegated Authority.**

4.) **NORTHERN TRUST COMPANY, CHICAGO, COOK COUNTY, ILLINOIS**

An application for issuance of a certificate of admission was received from The Northern Trust Company, Chicago, Cook County, Illinois ("Northern Trust"). Northern Trust filed the application to enable it to transact business in the State of Indiana in accordance with the provisions of IC 28-1-22. Northern Trust, an Illinois chartered commercial bank, intends to establish a full service fiduciary office at PS Executive Centers, Inc., Suite 2030/2031, 101 West Ohio Street, Indianapolis, Indiana. Illinois' multistate trust statutes became effective August 23, 2001. The statutes now give reciprocity of fiduciary powers between Illinois law and IC 28-14-3-2. CT Corporation, 36 South Pennsylvania Street, Indianapolis, Marion County, Indiana, has been appointed as resident agent for service of legal process by the bank. **The Director approved this on August 26, 2002, under Delegated Authority.**

5.) **CITY BANK, WARSAW, KOSCIUSKO COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located at **410 Chevy Way, Warsaw, Kosciusko County, Indiana**. The application was received on August 16, 2002. The branch is to be known as the **Lake City Bank Warsaw North Branch**. The bank has purchased a vacant lot from an independent third party for a cost of \$520M. The estimated costs for constructing the branch is \$450M. Furniture, fixtures, and equipment costs are projected at \$150M. No insider relationship exists between any insiders of the bank and any of the parties involved in this transaction. The bank's three-year average ROA is 0.99%. As of June 30, 2002, the bank's Tier 1 leverage capital ratio is 7.83%. The investment in total fixed assets to total capital will be 26.28% after the establishment of the branch. This will be the institution's forty-fifth branch. **The Director approved this on September 10, 2002, under Delegated Authority.**

6.) **MORGAN CHASE TRUST COMPANY, SIOUX FALLS, LINCOLN COUNTY, SOUTH DAKOTA**

An application for issuance of a certificate of admission was received from Morgan Chase Trust Company, Sioux Falls, Lincoln County, South Dakota. Morgan Chase Trust Company is a nondeposit trust company chartered and regulated by the State of South Dakota. The trust company has been in business for approximately four years and has approximately \$62 million under its administration as of August 31, 2002. The trust company will serve as trustee and fiduciary to settlement trusts established pursuant to court order or other settlement authority. Settlement trusts are trusts established on behalf of settling parties to a personal suit or claim. Settlement trusts include trusts typically referred to as Special Needs Trusts and Medical Set-Aside Trusts established to preserve Title XIX benefits. It will not establish an office in the state. All account administration will be done in South Dakota. Rex Bennett, Esq. of Locke Reynolds, Attorneys at Law, 201 North Illinois, 10th Floor, Suite 1000, Indianapolis, Marion County, Indiana has been appointed as resident agent for service of legal process by the trust company. **A Certificate of Admission was issued by the Director under Delegated Authority on September 10, 2002.**

DIVISION OF CREDIT UNION

1.) **CENTRA CREDIT UNION, COLUMBUS, BARTHOLOMEW COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Ahlemeyer Farms, Inc. – Columbus – 14 members (common bond of occupation as defined by 28-7-1-10)

Hoosier Hills Credit Union – Bedford – 81 members (common bond of occupation as defined by 28-7-1-10)

Perfect Binding Corporation – Indianapolis – 75 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on August 8, 2002, under Delegated Authority.

2.) CENTRA CREDIT UNION, COLUMBUS, BARTHOLOMEW COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Vic Hancock Agency/DBA American Income Life – Jeffersonville – 25 members (common bond of occupation as defined by 28-7-1-10)

El Rodeo – Shelbyville - 30 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on August 15, 2002, under Delegated Authority.

3.) FORUM CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Metro Plastics Technologies, Inc. – Noblesville – 70 members (common bond of occupation as defined by 28-7-1-10)

Pac-Van Leasing and Sales – Indianapolis – 180 members (common bond of occupation as defined by 28-7-1-10)

Buck Creek Christian Church – Indianapolis – 204 members (common bond of church membership as defined by 28-7-1-10)

World Media Group – Indianapolis – 80 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on August 28, 2002, under Delegated Authority.

4.) HOOSIER HILLS CREDIT UNION, BEDFORD, LAWRENCE COUNTY, INDIANA

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Lawrence & Lou Ann Gutsell Farm – Jasper – 2 members (common bond of occupation as defined by 28-7-1-10)

Eck Trucking Company – Otwell – 30 members (common bond of occupation as defined by 28-7-1-10)

Weavers Total Media – Indianapolis – 1 member (common bond of occupation as defined by 28-7-1-10)

The Director approved this on August 29, 2002, under Delegated Authority.

5.) **INDIANA MEMBERS CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Preferred Sourcing, Inc. – Indianapolis – 62 members (common bond of occupation as defined by 28-7-1-10)

Handyman's Edge – Speedway – 1 member (common bond of occupation as defined by 28-7-1-10)

Aviator's Innovations, Inc. – Indianapolis – 1 member (common bond of occupation as defined by 28-7-1-10)

Caregivers, Inc. – Indianapolis – 94 members (common bond of occupation as defined by 28-7-1-10)

Ensley Excavating – Indianapolis – 8 members (common bond of occupation as defined by 28-7-1-10)

Lincoln Technical Institute, Inc. – Indianapolis – 125 members (common bond of occupation as defined by 28-7-1-10)

Diane Brown Health Care Consulting Group, LLC – Indianapolis – 21 members (common bond of occupation as defined by 28-7-1-10)

Trackside, A Churchill Downs OTB – Indianapolis – 102 members (common bond of occupation as defined by 28-7-1-10)

Team Allen – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

The Heart Center of Indiana, LLC – Indianapolis – 300 members (common bond of occupation as defined by 28-7-1-10)

Piezo Technologies – Indianapolis – 65 members (common bond of occupation as defined by 28-7-1-10)

Auto Appeal – Indianapolis – 7 members (common bond of occupation as defined by 28-7-1-10)

Indy Airless – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

K&T Security, LLC & Cloak Private Detective Agency – Indianapolis – 14 members (common bond of occupation as defined by 28-7-1-10)

The Director approved this on August 29, 2002, under Delegated Authority.

CONSUMER CREDIT DIVISION

- 1.) Casa Blanca Mortgage, Inc. is requesting a consumer loan license. Applicant is based in San Francisco, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title companies. They currently operate in ten states.

Applicant is recommended for approval. **The Director approved this on September 9, 2002, under Delegated Authority.**

- 2.) Integrity Mortgage Corporation is requesting a consumer loan license. Applicant is based in Columbus, OH with an office in Indianapolis. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title company/attorneys. They currently operate in three states. Applicant is recommended for approval. **The Director approved this on September 9, 2002, under Delegated Authority.**
- 3.) TLP Funding Corporation is requesting a consumer loan license. Applicant is based in Woodland Hills, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title companies. They currently operate in nine states. Applicant is recommended for approval. **The Director approved this on September 9, 2002, under Delegated Authority.**
- 4.) J & G Advance, Inc. d/b/a. A-1 Cash Advance is requesting a consumer loan license. Applicant is based in Indianapolis. They will be making small loans under IC 24-4.5-7. They will be servicing their loans. Applicant has also applied for a check cashing license. Applicant is recommended for approval. **The Director approved this on September 9, 2002, under Delegated Authority.**
- 5.) J & G Advance, Inc. d/b/a A-1 Cash Advance is requesting a check casher license and has also applied for a loan license to make small loans under IC 24-4.5-7. Applicant is based in Indianapolis. They will be cashing all types of checks. References were all satisfactory. Fee will be 3% at this time and they will not cash personal checks. Applicant is recommended for approval. **The Director approved this on September 9, 2002, under Delegated Authority.**
- 6.) Columbus Pawn, Inc. is requesting a pawnbroker license. Applicant is based in Columbus, IN. References were all satisfactory. Scott Brown, President, will be managing the business. He was interviewed by Division Supervisor Tarpey and Field Supervisor Benbow. Applicant is recommended for approval. **The Director approved this on September 9, 2002, under Delegated Authority.**
- 7.) Ethos Group is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program known as Olympicare. Applicant is based in Irving, TX. Maximum charge to customer is \$420. Rebate upon prepayment based on pro-rata. Customer deductible covered up to \$1,000. There is a 60-day free-look period. They currently operate in Texas. There is a contractual liability policy issued by Titan Insurance.

The initial dealer requesting approval is Gates Chevy. All future dealers will agree to abide by the same terms as those approved. Approval is subject to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202

(1)(c).

The Director approved this on September 9, 2002, under Delegated Authority.

- 8.) Lyndon Administrative Services is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in St. Louis, MO. They currently operate in thirty states. There is a contractual liability policy issued by Lyndon Property Insurance. The initial dealer requesting approval is Reeves Buick Pontiac. There is a 30-day Free-look. Maximum cost to customer is \$420. Rebate upon prepayment based on Rule of 78ths. Customer deductible is covered up to \$1,000. All future dealers will agree to abide by the same terms as those approved. Approval is subject to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202 (1)(c). **The Director approved this on September 9, 2002, under Delegated Authority.**

There being no further business to come before the Members, a motion to adjourn the meeting was made by Mrs. Burd and seconded by Mr. Zaleski. The motion was unanimously approved.

APPROVED:

ATTEST:

David A. Bochnowski, Chairman

J. Philip Goddard, Secretary